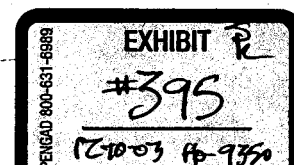


## CONSULTING SERVICES AGREEMENT

This Consulting Services Agreement ("Agreement") is between **Enron Corp.**, its affiliates, officers, directors, employees, and representatives, having offices at 1400 Smith Street, Houston, Texas 77002 ("Company"), and **Jeffrey K. Skilling**, 10 Briarwood Court, Houston, Texas 77019 ("Consultant") (collectively the "Parties"). The Parties agree as follows:

1. Term. The original term ("Term") of this Agreement shall be a 12-month period commencing on September 15, 2001. This Agreement may be renewed or extended by written agreement of the Parties.
2. Services. Company engages Consultant to provide advice and counsel to Enron executives and the Enron Corp. Board of Directors related to Company business, transactions and related matters (the "Services"). Consultant agrees to make himself available to the Company with reasonable notice for meetings and consultation.
3. Payment to Consultant. Company shall pay Consultant a monthly payment of \$60,000.00 during the Term. Company agrees to reimburse Consultant for office space and administrative assistance during the Term. Company will reimburse Consultant for out-of-pocket expenses incurred in performing the Services.
4. Confidentiality of Company's Business. Consultant acknowledges that the business of Company is highly competitive and that Consultant will have access to Confidential Information relating to Company's business. "Confidential Information" means and includes Company's confidential and/or proprietary information and/or trade secrets that have been developed or used and/or will be developed and that cannot be obtained readily by third parties from outside sources. Confidential Information includes, by way of example and without limitation, the following: information regarding customers, employees, contractors, and the industry not generally known to the public; strategies, methods, books, records, and documents; technical information concerning products, equipment, services, and processes; procurement procedures and pricing techniques; the names of and other information concerning customers, investors, and business affiliates (such as contact name, service provided, pricing for that customer, type and amount of services used, credit and financial data, and/or other information relating to Company's relationship with that customer); pricing strategies and price curves; positions; plans and strategies for expansion or acquisitions; budgets; customer lists; research; weather data; financial and sales data; trading methodologies and terms; evaluations, opinions, and interpretations of information and data; marketing and merchandising techniques; prospective customers' names and marks; grids and maps; electronic databases; models; specifications; computer programs; internal business records; contracts benefiting or obligating Company; bids or proposals submitted to any third party; technologies and methods; training methods and training processes; organizational structure; personnel information, including salaries of personnel; payment amounts or rates paid to consultants or other service providers; and other such confidential or proprietary information. Confidential Information does not include information that currently is or becomes publicly known or available (through a source other than Consultant) or information received by Consultant from a third party who is not subject to a confidentiality obligation. Consultant agrees that he will not, at any time during or after the Term, make any unauthorized disclosure of Company's Confidential Information or third-party Confidential Information, or make any use thereof, except in performing the Services, or as required by law or authorized government agency.



5. Statements About Company. Consultant shall refrain, both during and after the Term, from publishing any oral or written statements about Company or any of its subsidiaries or affiliates, or any of such entities' officers, or employees, that are disparaging, slanderous, libelous, or defamatory; or that disclose private or confidential information about their business affairs; or that constitute an intrusion into their seclusion or private lives; or that give rise to unreasonable publicity about their private lives; or that place them in a false light before the public; or that constitute a misappropriation of their name or likeness.

6. Intellectual Property Rights. All information, data, documents, and materials provided by Company to Consultant, or acquired or learned by Consultant from Company's files, documents, employees, or representatives, in connection with the Services, shall remain Company's exclusive property. Consultant shall obtain no rights in such information, data, documents, or materials.

7. INDEMNIFICATION. CONSULTANT SHALL DEFEND, PROTECT, INDEMNIFY, AND SAVE COMPANY HARMLESS FROM AND AGAINST ALL LIABILITY, CLAIMS, DAMAGES, LOSSES, COSTS, EXPENSES, DEMANDS, AND SUITS OF EVERY KIND AND CHARACTER (THE "CLAIMS") ARISING IN FAVOR OF CONSULTANT OR HIS HEIRS OR BENEFICIARIES, ON ACCOUNT OF PERSONAL INJURIES, DEATH, OR DAMAGES TO CONSULTANT'S PROPERTY IN ANYWISE INCIDENT TO OR IN CONNECTION WITH, OR ARISING OUT OF (A) THE SERVICES PERFORMED HEREUNDER; OR (B) THE PRESENCE OF CONSULTANT ON COMPANY'S PREMISES.

COMPANY SHALL INDEMNIFY AND HOLD HARMLESS CONSULTANT AND HIS AGENTS AND REPRESENTATIVES (INDIVIDUALLY REFERRED TO AS AN "INDEMNIFIED PERSON") FROM AND AGAINST ALL LIABILITY, CLAIMS, DAMAGES, LOSSES, COSTS, EXPENSES, DEMANDS, AND SUITS INCURRED IN CONNECTION WITH THE PERFORMANCE OF ANY SERVICES PURSUANT TO, AND IN ACCORDANCE WITH, THIS AGREEMENT OR ANY INDEMNIFIED PERSON'S ROLE IN CONNECTION WITH THIS AGREEMENT. NOTWITHSTANDING THE FOREGOING, COMPANY SHALL NOT BE LIABLE IN RESPECT OF (AND THE FOREGOING INDEMNITY SHALL NOT COVER) ANY CLAIM, DAMAGE, LOSS, LIABILITY, COST, OR EXPENSE TO THE EXTENT THE SAME RESULTED FROM THE GROSS NEGLIGENCE, WILLFUL MISCONDUCT, VIOLATION OF LAW, MATERIAL BREACH OF THIS AGREEMENT, OR BAD FAITH OF CONSULTANT OR ANY INDEMNIFIED PERSON IN PERFORMING SERVICES UNDER THIS AGREEMENT.

8. Independent Consultant.

a. The Services performed by Consultant shall be as an independent consultant and not as an employee. Consultant is not entitled to the benefits provided by Company to its employees, including, but not limited to, group insurance and participation in Company's employee benefit and pension plans. In the event Consultant for any reason were to become eligible to participate in a Company-sponsored benefit program, Consultant hereby waives any such right to participate in the program. This waiver represents a material component of the terms of payment agreed to by the parties. Nothing in this Section 8a. is intended to reduce or eliminate any benefits to which Consultant is entitled as a former employee of Company (such as portable medical benefits).

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b. Consultant shall be responsible for payment of all taxes arising out of his activities under this contract, including income tax, Social Security tax, unemployment insurance taxes, and any other taxes. Company will neither pay unemployment taxes on, nor withhold employment taxes from, any amount it pays Consultant.

c. Consultant certifies that he will comply with all applicable laws, statutes, and regulations related to providing the Services, including the Foreign Corrupt Practices Act, environmental laws, employment laws, safety regulations, securities laws, antitrust laws, and intellectual property laws.

9. Termination of Consulting Arrangement. Company shall terminate this Agreement immediately in the event Consultant: (a) has materially breached the provisions of paragraphs (4) or (5); (b) is convicted of or pleads "no contest" to a felony; or (c) willfully engages in conduct that is materially injurious to the Company. Consultant or Company may terminate this Agreement at any time for any reason by furnishing the other party 30 days advance written notice of such termination.

10. Other Agreements/Modifications. This Agreement constitutes the entire agreement of the parties regarding the Services and may not be changed without a written agreement signed by both parties. This Agreement does not supersede Consultant's continuing obligations contained in the January 1, 1996 Executive Employment Agreement, as amended, between Company and Consultant, including Consultant's post-employment obligations in Articles 5, 6 and 7 of the Executive Employment Agreement. To the extent that there are duplicative or conflicting terms or provisions in this Agreement and Consultant's prior Executive Employment Agreement the terms and provisions of the Executive Employment Agreement shall govern.

11. Miscellaneous. All notices under this Agreement shall be sent by telecopy or Certified Mail to the addresses set forth at the beginning of this Agreement. This Agreement shall be governed by Texas law. The terms in this Agreement shall be enforceable to the fullest extent permitted by law. If any such term or covenant or the application thereof to any person or circumstance shall be construed to be invalid or unenforceable, then such term shall be construed in a manner as to permit its enforceability to the fullest extent permitted by law. The remaining provisions of this Agreement shall remain in full force and effect. This Agreement automatically shall be binding upon and shall inure to the benefit of any person, corporation, or entity which may hereafter acquire or succeed to all or substantially all of Company's business or assets by any means whatsoever. Enron may assign this Agreement to any affiliate or other entity. This Agreement shall not be assigned by Consultant without Company's prior written consent.

12. Confidentiality. The terms and existence of this Agreement constitute confidential information, which Consultant shall not disclose to anyone other than his spouse, attorneys, tax advisors, financial advisors, or as required by law.

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4/26/01

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the day and year first above written.

JEFFREY K. SKILLING

ENRON CORP. JLS

By: [Signature]  
This 14<sup>th</sup> day of Sept., 2001

By: [Signature]  
Name: \_\_\_\_\_  
Title: Mary K. Joyce  
This Vice President, Executive Compensation 2001